

MONTGOMERY COUNTY DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

CALCULATION OF SALES PRICES FOR MPDUs FOR:

Utopia Hills
(Project Name)

Date: 4/29/2005

A. MPDU UNIT TYPE:

1. Unit type and number of stories	<u>townhouse/2 story</u>
2. Number of bedrooms	<u>3</u>
3. Number of full baths and rough-in full baths	<u>2 and 1</u>
4. Number of half baths and rough-in half baths	<u>1 and 0</u>
5. Basement of slab	<u>basement/walk-out</u>
6. End or interior unit	<u>end</u>
7. Square footage of finished area	<u>1240</u>

B. CALCULATION OF DIRECT CONSTRUCTION COSTS: (NOTE: Please refer to the MPDU Pricing Standards and Minimum Specifications for Base Unit Size and Square Footage Cost)

8. <u>1240</u>	= Square footage of finshed space (from Line 7)	
9. <u>1200</u>	= Square footage of base unit @ <u>\$46</u> /sq. ft.	<u>\$55,200</u>
10. <u>40</u>	= Sq. foot difference from base @ <u>\$23</u> /sq. ft.	<u>\$920</u>
11.	Subtotal (Line 9 + Line 10)	<u>\$56,120</u>

12.	<u>Additions and Deletions</u>	<u>Addition</u>	<u>Deletion</u>
	a. End unit	<u>\$2,200</u>	<u></u>
	b. Rough-in half bath	<u></u>	<u></u>
	c. Finished half bath	<u></u>	<u></u>
	d. Rough-in full bath	<u>\$900</u>	<u></u>
	e. Finished full bath	<u></u>	<u></u>
	f. Basement addition/deletion	<u></u>	<u></u>
	g. Walkout basement	<u>\$1,400</u>	<u></u>
	h. Garage	<u></u>	<u></u>
	i. Expandable space:	<u></u>	<u></u>
	<u>ft. @ \$ /sq.ft.</u>	<u></u>	<u></u>
	j vanities (2), linen closet	<u>\$775</u>	<u></u>
	k. <u></u>	<u></u>	<u></u>
	l. <u></u>	<u></u>	<u></u>
	m. <u></u>	<u></u>	<u></u>
	n. <u></u>	<u></u>	<u></u>
	o. <u></u>	<u></u>	<u></u>
	Subtotal	<u>\$5,275</u>	<u>\$0</u>

13.	Difference between Additions/Deletions	<u>\$5,275</u>
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14.	DIRECT CONSTRUCTION COST (Line 11 + Line 13; enter in Line 15, Page2)	<u>\$61,395</u>
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* (NOTE: if you exceed the set price standard, you mut attach an itemized listing of lot development costs.)

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C. ADDITIONAL CONSTRUCTION AND INDIRECT COSTS:

15.	Direct Unit Construction Cost (from Line 14 on Page 1)		\$61,395
16.	Direct land development cost (from MPDU Pricing Standards*)	\$12,000	
	b. Water and sewer house connection fee	\$3,200	
	c. Fire sprinkler system installation cost	\$1,850	
17.	Subtotal of Miscellaneous (Lines 16.a through 16.c)		\$17,050
18.	Special Conditions:		
	a. recreation fees per lot	\$2,000	
	b. Special Protection Area environmental construction measures	\$4,800	
	c. Extra common area landscaping		
	d. Alleyways		
	e. Site amenities/trails/landscaping	\$1,500	
	f. Rock blasting/removal		
	g. Super silt fence		
19.	Subtotal of Special Conditions (Lines 18.a through 18.g)		\$8,300
20.	TOTAL OF DIRECT CONSTRUCTION COST ITEMS (Lines 15 + 17 + 19)		\$86,745
21.	<u>SOFT COSTS:</u> (Calculated as a percentage of the Base MPDU Sales Price)		
	Construction Loan Financing Expenses:		
	i) Interest Rate = Prime Rate + 2 Points =	6.5%	
	ii) Calculation = Interest Rate x Average Take Down Rate (6 months) x Length of Loan (9 months)		
	x 75% of Base MPDU Sales Price		
a.	iii) Calculation = Interest Rate x .50 x .75 x .75 =	1.83%	
	b. Construction loan placement fee	1.50%	
	c. Legal and closing costs	3.50%	
	d. Marketing and sales commission	1.50%	
	e. Builder's overhead	8.00%	
	f. Engineering and architectural fees	5.00%	
	g. General requirements	3.00%	
22.	Subtotal of Indirect Cost Percentages (Lines 21.a through 21.g)	24.33%	
23.	Base MPDU Sales Price Calculation:		
	a. Soft Cost Percentages (from above)	24.33%	
	b. Inverse Ratio (100 - Soft Cost Percentage / 100) =	75.67%	
	c. Base MPDU Sales Price = <u>Direct Construction Cost (Line 20)</u> =		\$114,633
	Inverse Ratio (Line 22.b)		
24.	Subtotal of Architectural Compatibility Items (from Line 29.c on Page 3)		\$11,414
25.	FINAL MPDU SALES PRICE (Line 23.c + Line 24)		\$126,047

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ARCHITECTURAL COMPATIBILITY COSTS

The direct construction costs for architectural compatibility must be approved by the Department of Housing and Community Affairs. The percentage for construction financing in Line 3 is obtained from the calculations determined in 21.a on Page 2. The cost of the architectural compatibility items must be reduced by a credit for normal construction item which is included in the direct construction cost (for example, brick façade reduced by the cost of vinyl siding).

LIST OF ITEMS AND COST FOR ARCHITECTURAL COMPATIBILITY:

<u>ITEM</u>	<u>DESCRIPTION</u>	<u>COST</u>
a.	bay window	\$1,500
b.	turned gable	\$850
c.	front door trim	\$300
d.	architectural roof shingles	\$300
e.	window trim features (6 ea. @ \$100)	\$600
f.	brick front	\$3,000
g.	upgraded fascia and soffit	\$350
h.	shutters (6 pair @ \$50)	\$300
i.	8/12 roof pitch	\$500
j.	2 ft. building offsets	\$600
k.	beaded siding (end unit only)	\$400
l.	end unit trim features	\$400
m.	extra windows (2 @ \$400 each)	\$800
n.		
o.		
p.		

Subtotal of Architectural Compatibility Costs: \$9,900

LESS: Cost of Items Included in the Base MPDU Price vinyl siding: \$350

26. **TOTAL HARD COST OF ARCHITECTURAL COMPATIBILITY ITEMS:** \$9,550

27. **SOFT COST CALCULATION FOR ARCHITECTURAL COMPATIBILITY ITEMS:**

a.	Construction financing (from Line 21.a, Page 2)	1.83%
b.	Construction loan placement fee	1.50%
c.	Builder's overhead	8.00%
d.	Engineering and architectural fees	5.00%

28. **Subtotal of Indirect Cost Percentages (lines 27.a through 27.d)** 16.33%

29. **TOTAL COST FOR ARCHITECTURAL COMPATIBILITY:**

a.	Soft cost percentage (from Line 28)	16.33%
b.	Inverse ratio: (100 - Soft Cost Percentage / 100)	83.67%
c.	Cost for Arch. Compat. = <u>Total Hard Cost Arch. Compat. (Line 26)</u> =	
	Inverse Ratio (Line 29.b)	\$11,414